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C O N F I D E N T I A L SECTION 01 OF 02 DUBLIN 000678

SIPDIS

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TAGS: [SMIG](#) [PGOV](#) [PREL](#) [KHLS](#) [EI](#) [ECON](#)
SUBJECT: IRISH IMMIGRATION: ECONOMIC DISTRESS LEADS TO
MIGRANT FLIGHT

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Classified By: PEO Chief Ted Pierce. Reasons 1.4(b/d).

¶1. (C) Summary: The Irish economic slowdown will turn a net inflow of migrants into a net outflow and will result in a population growth decline, with Dublin possibly seeing a drop in population. Migrants from EU countries are quite responsive to economic conditions and appear to be leaving to look for work elsewhere. However, their African and Asian counterparts cannot simply pull up stakes. If recent statements by politicians and government funding cuts are any indication, migrants may face a less welcoming environment. We do not expect a widespread backlash against non-Irish nationals but, as the economy slows, social frictions may become more commonplace. The government and other interested parties will need to watch this issue carefully. End Summary.

Easy Come, Easy Go

¶2. (U) Ireland experienced significant immigration in the last decade as its rapid economic growth attracted thousands of workers from other EU countries and beyond. These migrants were a key reason for the recent success of Ireland's economy. According to the Central Statistics Office (CSO), there are currently 420,000 non-nationals living and working in Ireland. As recently as 2006, net inward migration was 72,000 people, but economic decline throughout Ireland has caused the waves of immigrants to subside quite rapidly. Many immigrant communities have started to leave Ireland. The Economic and Social Research Institute (ESRI) predicts that in 2009 Ireland will see a net outflow of 20,000 people as non-nationals (and some Irish) leave Ireland in search of better economic opportunities.

¶3. (U) Declines in immigration and increased emigration have significant implications for Ireland. The CSO Regional Population Projections for 2011-2026 predict that the population of Dublin could fall by 100,000 if there is zero net immigration -- the first drop in the capital since 1861. Population growth in all areas in Ireland will likely decrease as inward immigration slows and emigration increases. That said, Conor Hand, a migration expert at the Irish government agency Forfas, pointed out that the system was designed to be flexible and is working just as it should -- when times are tough people leave.

¶4. (U) Although detailed statistical evidence is delayed, anecdotal evidence indicates a trend of net external migration in the short-term. We spoke with the ESRI's Alan Barrett, an expert in migration and migration policy, who noted that EU migrants (mostly Poles, Latvians, and Lithuanians) will be more likely to leave Ireland than other immigrant groups such as those from Africa and Asia, and that they will make up the bulk of the migrants leaving Ireland. He said this is due to the ability of citizens from other EU

countries to travel freely within the EU and seek employment elsewhere. Barrett conjectured that the "pull" effect from the home country as its economy improves relative to Ireland may be the deciding factor in many re-location decisions.

15. (U) About a quarter of Ireland's immigrants come from Poland, Lithuania, and Latvia. Many work in industries that employ significant numbers of low- to semi-skilled workers, such as construction and service industries. This particular demographic is very mobile and quite willing to travel internationally looking for work. According to both Barrett and Martin Shanahan of Forfas, young Eastern European men are disproportionately represented in the construction industry and it is common for them to go to a region for a few weeks or months before moving on to another jobsite.

16. (U) Based on CSO data, these so-called "economic migrants" are leaving Ireland in noticeable numbers. A large portion of Eastern European immigrants are married but separated from their spouses for long periods of time while pursuing work in different countries. Activity at Polish-owned businesses provides additional evidence that the Eastern European community is leaving. In a recent presentation, Jim Power, chief economist of financial group Friends First, noted that revenues of Polish food shops, bars, and other related businesses have plummeted in recent months.

17. (U) While the "push" of the economic slowdown in Ireland is influencing migrants' decisions to leave or stay, the "pull" of other areas of the EU is a key determinant as well. Unemployment is climbing in Ireland and, although the global downturn is felt everywhere, the economies of EU countries that have recently supplied migrants to Ireland are generally doing better than the Irish economy. For example, the number of jobs available in Poland has increased by more than 10

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percent since 2005 and the economy grew by 6.5 percent last year, according to Barrett. Latvia and Lithuania both experienced significant increases in GDP in 2007. Such growth creates attractive options for non-Irish nationals feeling the pressure from the Irish economic slump.

18. (C) Immigrants from the EU are not tied to Ireland because of their ability to work anywhere in the EU. The same cannot be said for other migrant groups here. Many African and Asian immigrants will be forced to stay in Ireland due to their immigration status or because there is no economic "pull" from their countries of origin. According to Jacqueline Healey of the Migrant Rights Center, some Asian migrants paid large sums of money to enter Ireland under suspect student visa schemes. She continued that the cultural habits of this migrant community make it unlikely for them to seek assistance or leave if they feel exploited. Based on the size of the Chinese community in Ireland, Edel McGinley of the Migrant Rights Center notes that they are underrepresented in claims of labor exploitation. Similarly, African immigrants often gain residency through asylum or by parenting an Irish born child, making it unlikely that they will choose to leave.

Changing Attitudes

19. (C) Further, Irish non-nationals are beginning to experience problems other than diminishing economic opportunity. According to Phillip Watts, the director of the National Consultative Committee on Racism and Interculturalism (NCCRI), a shift in public attitudes towards non-nationals is creating new obstacles. He added that the need for foreign laborers during the economic growth of the last decade fueled general public tolerance for immigration but recent assimilation debates and statements from prominent politicians indicate that this tolerance may be declining.

110. (C) In September 2008, Leo Varadkar of the main

opposition party Fine Gael suggested paying out-of-work immigrants to leave the country. This came one month after Fine Gael's education spokesman Brian Hayes suggested separating immigrant children with poor English skills from regular classes. While these suggestions were met with strong public criticism, they show that Irish politicians are faced with pressure to deal with assimilation and immigration-related problems that are magnified due to economic problems.

¶11. (C) On top of this, the economic slowdown has forced the Irish government to make spending cuts, which have hit particularly hard the non-profit organizations and government offices that assist with cultural integration and combat racism. Most prominently, funding for NCCRI and the National Action Plan Against Racism (NPAR) was completely eliminated from next year's budget. The work of these organizations will now fall to government agencies that are themselves working with reduced financial resources. The budget for the Office of the Ministry of Integration, which is set to inherit the work of the NCCRI and NPAR, was slashed by 30% this year. NCCRI's Watts calls such cuts "an assault on the public sector" and feels that they institutionalize "a sense that minorities are no longer wanted due to the downturn."

¶12. (U) The Minister for Integration Conor Lenihan disagreed with this assertion and stated that the office of the Minister for Integration is taking a more direct approach towards integration issues. He noted the creation of a new body called the Ministerial Council for Integration, which will liaise with migrant communities in Ireland directly, rather than going through NGOs.

COMMENT

¶13. (C) Everyone we spoke to agreed that Ireland will experience net outward migration during the economic downturn. In part, this is good news because the unemployment problem will not be as bad as it otherwise would be and because there will be less pressure on government-funded social support schemes. The bad news is that, while the Irish themselves have a history of migration that may make them more sympathetic to their new neighbors, a smaller economic pie may lead to social frictions that this country is not used to. We do not expect any widespread backlash against non-Irish nationals, but it will be an issue that the government, communities, and NGOs will need to watch carefully.

FOLEY